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IRS Headquarters Will Remain Closed for Months; Tax Administration Operations Continue As Employees Relocate

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WASHINGTON -- The Internal Revenue Service and General Services Administration announced today initial findings from GSA's flood damage report on the IRS's Headquarters Building at 1111 Constitution Ave. NW. According to the GSA assessment, complete building restoration won't be complete until about the first of the year due to extensive damage the building's infrastructure sustained during last month's heavy rainfall.

The IRS and GSA are also developing plans for a possible phased-in return of employees to the building over the course of the fall.

The lengthy delay reflects the heavy damage sustained during the record rainfall. Critical parts of the building's electrical system and heating and air conditioning systems were destroyed or heavily damaged during the record rainfall. The equipment is located in the building's subbasement, which was submerged in more than 20 feet of water.

A review is currently underway to determine what steps need to be taken to ensure this type of damage would not occur again in a comparable storm. Results of this review and a final reoccupancy schedule will be completed by early August.

Work continues on assessing which systems can be repaired and which need to be replaced. Total damage estimates are not yet complete, but costs are expected to run in the tens of millions of dollars.

The IRS has implemented business resumption processes to continue tax administration operations.

The 2,400 employees who work at the headquarters building are being assigned to the other 12 buildings IRS occupies in the metro area, into temporary space, or are telecommuting.

"We successfully implemented our Continuation of Operations (COOP) plan and all critical employees were back to work within two weeks. Both across the country and here in Washington, the IRS is on the job," said IRS Commissioner Mark W. Everson.

"I appreciate the efforts of all our employees during this period and ask them to bear with us as we bring them back on line and restore the building to a safe and usable condition," Everson said. "I also want to thank GSA and the contractors who have worked so hard over the past several weeks."

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"GSA is committed to ensuring that IRS is able to perform its mission on behalf of the American taxpayer, said GSA Administrator Lurita A. Doan. "The IRS is a valued customer agency and I am proud of how we've worked together since the storms struck in late June."

"The fact that only five of the 189-GSA-owned buildings in the metropolitan area were forced to close speaks to the efficiency and effectiveness of our workforce, and the positive working relationships we enjoy with IRS and our other client agencies," she said.

The first complete cleaning and decontamination of the building was completed last week. All of the damaged equipment, office furniture and supplies stored in the basement, as well as the drywall has been completely removed, but it will take approximately 30 days for the infrastructure to completely dry before rebuilding can begin.

The subbasement holds all of the building's electrical and maintenance equipment such as electrical transformers, electrical switchgears, and chillers. The basement was flooded with five feet of water. The fitness center, food service canteens, offices, systems furniture, carpet, ceiling tiles, computer equipment and vehicles garaged in the building were all destroyed.